

Globalization and Economic Growth in Nigeria: Any Nexus?

Rasaki .O. Kareem^{*1}, Hakeem .A. Bakare², Emmanuel .S. Ologunla³

Dept. of Economics and Actuarial Sciences,

College of Social and Management Sciences,

Crescent University, P.M.B 2104, Sapon, Abeokuta, Ogun State, Nigeria

^{*1}rskventures@yahoo.com

Abstract

The research work is on globalization and economic growth in Nigeria: Any nexus? The study adopts descriptive statistics, regression analysis and correlation analysis on the macro economic variables. The objectives of the study are to: describe the trend of macroeconomic variable; examine the impact of globalization on economic growth of Nigeria; to determine the relationship between foreign direct investment, inflation and exchange rate; relationship between trade openness and exchange rate, Inflation and dummy (structural change) variable; estimates the factors contributing significantly to the economic growth in Nigeria and to proffer policy recommendation on how globalization can further enhance the economic development of Nigeria.

The result shows that interest rate has been fluctuating with respect to the years under review, The result further revealed that, Inflation is a significant variable contributing to economic growth (proxied by RGDP), inflation and exchange rate shows a negative relationship but significant at 5 percent level of probability and inflation is the only significant variable having positive relationship with the foreign direct investment in the model. Based on research findings, the study concluded that inflation plays a significant factor if the economy is to enhance economic growth in the world economy. The study therefore recommended that fiscal and monetary policies should be given priority to with a view to enhancing economic growth through globalization.

Keywords

Globalization; Real Gross Domestic Product; Inflation; Exchange Rate and Economic Growth

Background to Study

Globalization can be described as a concept or a phenomenon, which either rallies public support or evokes opposition or protest- sometimes- violent protest. It creeps up in virtually every discourse is it political, economic, social and cultural. Santarrelli

and Figini, (2002), defined it as a historical process driven by technology factors such as development of computers and the internet, which reduces the distance between people in terms of space and time.

Globalization is the term used to describe the growing worldwide integration of the people and countries. Globalization has reduced barrier existing in international trade. The reduction in those barriers has opened the door for exported growth. Nigerian economy has been mono-cultural since independence and has so much depended on the western countries for its survival (Salimono, 1999).

Globalization according to Akinbayo (2003), is the process of shifting autonomous economies into the global market or the systematic integration of autonomous economies into a global system of production and distribution. This invariably involves an efficient and dynamic financial sector that is necessary for the facilitation of intermediation and exchange of goods and services.

The world is fast becoming a global village a metaphor that is often invoked to depict global interdependence and the increasing interaction among the integration of economic activities of human societies around the world (Ajayi, 2001). In concrete terms, globalization is the intensification of cross border trade and increased financial and foreign direct investment flows among nations, promoted by rapid advances in liberalization of communication and information technology (Islam, 1999).

Since globalization entails trade liberalization, it is therefore imperative that there is free and unrestricted movement of trade, finance and investment across the international border. The advantage here is that globalization allows Nigeria to

export and import goods, capital and investment without restriction (Opata 1996 and Salimono, 1999). Hence, the place of Nigeria in the globalization agenda requires some in-depth study.

Very critical to our understanding of globalization is the dire need to use it as a synonym for liberalization and greater openness. The implication of this is that both domestic and foreign liberalization are said to imply globalization, since the former brings domestic markets more in conformity with forces operating in markets abroad, and, the removal of administrative barriers to international movement of goods, services, labour and capital increases economic interaction among nations. It is within this purview that we can argue that globalization is mainly a phenomenon of capital mobility. Its two prongs are; (i) foreign direct investment and (ii) international portfolio flows. Thus, in spite of the openness of the economy, external trade performance has not been encouraging. The research question now is: Does globalization benefit Nigeria? Even if globalization plays an important role in the economic development of Nigeria, how significant is this role? ; Is there a significant relationship between globalization and economic growth?

It has been observed that despite the numerous opportunities associated with globalization, some countries are yet to benefit from it. Therefore, the research of this nature will provide us the opportunities to show case the impact of globalization on the Nigerian economy. The research will further add to the literature in this area. The finding of this study will guide the government in the area of policy formulation.

Therefore, the general objective of the study is to examine globalization and economic growth in Nigeria: Any nexus? The specific objectives of the study are to: describe the trend of macroeconomic variables over the years (e.g. export, import); examine the impact of globalization on economic growth of Nigeria; to determine the relationship between foreign direct investment, inflation and exchange rate; estimates the factors contributing significantly to the economic growth in Nigeria and proffer policy recommendation on how globalization can further enhance the economic development of Nigeria.

The Research Hypothesis

H₀ Globalization does not influence economic growth in Nigeria

H₁ Globalization influences economic growth in Nigeria

Theoretical Framework

The Solow model often used to analyze long run economic growth. The Solow growth model is an improvement over Harrod-Domar model. It relaxed some of the unrealistic assumptions of Harrod-Domar growth model where the H-D model was based on only one factor of production (i.e. capital). The Solow model recognized a second factor that is labour and even introduced a third independent variable to the growth model (i.e. technology). Hence, the factors that account for growth in the Solow model to ensure globalised economy are; increased in capital stock through savings and investment; increased in the labour quality and quantity through education and population growth. Improvement in technology which determines long term growth and its level is independent factor

Robert Solow presented a mathematical model demonstrating that sustained economic growth depends largely on technological advancement. His continuing works provided economists with theoretical foundation and an empirical structure with which to examine the economic effects of technological change. Solow's ideas have encouraged government to promote higher education and research in order to stimulate economic growth. He has also examined the role of natural resources in economic growth which a factor economist traditionally ignored. His assumption is based on the following; production function is of degree 1, i.e there are constant return to scale; two factors of production are involve, these are capital, and labour each one of them is paid according to the level of its Marginal physical product (MPP_K) of capital and labour; there are diminishing returns to the two factors separately but constant return to scale to both factors jointly; there is full employment of the two factors of production; the factors are substitute for each other i.e the capital-output ratio is flexible; there is neutral technological progress; the gross national product(GDP) or the total output is the only commodity produced in the economy and rate of production is given by Y_t ; the savings ratio is constant like in the H-D model and the rate of savings is given as Y_t ; the stock of capital in the economy is given as K_t ; the rate of increase in this is stock of capital which is net investment.

Robert Solow has been criticized by many scholars and their criticism is based on the following; that the Solow model did not contain an investment function even though increase in capital stock through saving and investment is the key variable in the model; that the model could not explain the differences in residual across countries with similar technologies; that the model is based on the assumption of the labour augmenting technical process. i.e. increase qualities of labour force through the use of machine instead of manual method, yet this has not explicitly spelt out in the model and any case technical progress is treated as an exogenous factor in the model; that the model assumed flexibility of factor price like under classical and neo classical model. But if in reality factors prices are not flexible they may be a problem of achieving steady growth path. Example, Liquidity trap may prevent the rate of interest from falling below a certain minimum level; that one of the assumptions of Solow model is that of homogeneous capital but in reality capital is of various type, size, and qualities. It is therefore wrong to aggregate capital.

Conceptual Framework

In spite of the limited integration with the rest of the world experienced by African countries, it was tested whether globalization proxied by trade flows and net capital flows (financial flows) has any impact on economic growth in African. The model used is Solow (1956) model as elaborated and augmented by Mantin and Romer (1992). The estimated version is given as:

$$Y_{it} = \alpha + \alpha_i + \mu_i + \beta X_{it} + \varepsilon_{it}$$

Whereby Y_{it} is the real per capital GDP growth of country i in period t , X is the vector of determinants GDP growth of interest and $\alpha_0, \alpha_i, \mu_i$ and β are parameters and a vector of parameters respectively to be estimated. The X_{it} consist of investment- GDP ratio (K) used to represent capital stock; labour force growth rate (L); total trade-GDP ratio (TY) used as proxy for openness; external debt stock-GDP ratio(DY); net capital flows-GDP ratio(FY) used to proxy financial openness (integration) and logarithm of initial real per capital GDP used to test the conditional convergence hypothesis, the equation is a general model incorporating country –specific fixed (α_i) and random (μ_i) effects.

Empirical Review

Onyeonoru (2003) in his study, “globalization and industrial performance” aimed to verify if the

globalization project was associated with a process of de-industrialization. The methodology used in carrying out his objective was Radical organization Theory outlined by Burell and Morgan. It was selected for its usefulness for explaining the relationship between the economic crisis and macro socio economic element of globalization. The food, beverage and tobacco industry was selected as the case study. The findings of his research theory are that, the globalization activities in the structural adjustment programme (SAP) period accounted for the depreciation in the value of the naira. The steep devaluation of the naira during SAP period introduced high rate of inflation, which adversely affects industrial operations-especially in the manufacturing sector. The conclusion of his study is that globalization programmers have been associated with a period of de-industrialization.

Aluko *et. al.* (2003) in their study “globalization and the manufacturing sector: a case study of selected textile firms min Nigeria” aimed to examine the impact of globalization on the manufacturing sector in Nigeria, and then, suggested appropriate socio-economic reform measures of that will enable the country benefit maximally from the current globalization trend in the world economy. A case study approach was applied and three textile mills were selected as case studies. Data was collected by means of pre- tested questionnaire. From the analysis above, it was observed that Association of Nigeria (MAN) Report, (1996) stated that capacity utilization for the manufacturing sector fell below 40% of installed capacities. In conclusion, it was stated that for a country to maximally enjoy the benefits and minimize the risk associated with globalization, it as to develop and strengthen its capacity to timely identify both internal and external shocks, and to initiate, design and implement appropriates policies to forestall their destabilizing efforts.

Ihonvbere (2002) in his study, “how is globalization doing?” that globalization is a myth construed by capital at the expense of corrupt and weakened politician and government to commercialized and privatized all spheres of human activity. The methodology adopted in carrying out his study was thorough research through World Wide Web. He found out that globalization is not doing well. Ihonvbere opined that rather than improve on social, political and economic condition, globalization has increased; poverty in both rural and urban areas; real

earning fell drastically; unemployment and underemployment rose sharply; hunger and famine became endemic; dependence on food aid and food import intensified; disease, including the dreaded HIV/AIDS decimated population and became a real threat to the very process of growth and development. Moreover, because of the inadequate response and realistic strategies to tackle the problems listed above, Ihonvbere concluded that globalization is not doing well.

Stiglitz (1998) in his study, "globalization and its discontents" averred that globalization has a large potentials for the world economy and can be of huge benefit to under developed countries and even a viable plan for the development of underdeveloped economies of the world suggesting various reform of the international economic and financial institution and a fundamental transformation of the governance process of especially under developed countries as a necessary condition for a positive impact of globalization on the development process of under developed countries. The methodology used was United Nation Data Report. He found out that the reforms mentioned above are contingent on the developed economies that are satisfied with the ways and manner globalization is being conducted and have being active in sustaining it. He concluded that the artificial construction of world economy by the industrialized countries is meant to serve the purpose of economic and political dominance of the group of industrialized countries, over the countries, but they need to establish a convergence among them in order to minimize the likely effect of undermining each other.

Research Methodology

The study area is Nigeria, It has a natural geographical sovereignty is situated on the eastern coast of Africa and lies between latitude 30° and 150° the total surface area of the country spans over 923,764 km² with Cameroon to the east, Niger and Chad to the north Benin, to the south along the Gulf of Guinea. The administration of the country is divided into three tiers of government (Federal, State and local).The three tiers of government participate in the globalization of a country

The Nigerian economy is basically agrarian economy because agriculture provides employment for about 70 percent of the work force and agricultural production makes up about 40 percent of the Gross

domestic product (GDP). In revenue and petroleum production makes up about 25 percent of GDP.

The oil boom in the 1980s put the country in the 20th position in the world in terms of size of GDP. The world ranking adversely dropped to 23rd. The Nigerian economy has largely been dependent on its oil sector which supplies 95 percent of its foreign exchange earnings. The upstream oil industry is the single most important sector in Nigeria's economy. (Business Day, 2008)

Data and Estimation of Econometric Models

The data used for this study was secondary source gotten from the Central bank of Nigeria CBN statistical bulletin. The information collected include: import volume, foreign direct investment, inflation, interest rate, export volume and real gross domestic product.

Method of Data Analysis

1) Descriptive Statistics

These include mean, percentages, graphs etc. It was used to show the trend of the macro economic variables (import volume, foreign direct investment, inflation, exchange rate, interest rate, export volume and real gross domestic product) over the period under review.

2) Inferential Statistics

- **Regression Analysis:** This was used to capture objective two (2), which examines the impact of globalization on economic growth of Nigeria.
- **Correlation Analysis:** This analysis was used to determine the relationship between foreign direct investment, exchange rate and inflation rate.

Model Specification

The link between globalization and economic growth is verified using an aggregate production function framework following Lucas (1988). The model specification for this study is as stated below:

1) Regression:

$$Y = F(X_1, X_2, X_3, X_4, X_5) \text{ - Implicit function} \\ \dots\dots\dots \text{equation (3.1)}$$

$$Y = f(\Phi_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \alpha_4 X_4 + \alpha_5 X_5 + \mu) \text{ -} \\ \text{Explicit function.... equation (3.2)}$$

However, three functional forms were analyzed as defined below:

$Y = f(X_1, X_2, X_3, \dots, X_n)$ - Linear equation
..... equation (3.3)

$Y = F(\ln X_1, \ln X_2, \ln X_3, \dots, \ln X_n)$ - Semi-log equation
..... equation (3.4)

$\ln Y = F(\ln X_1, \ln X_2, \ln X_3, \dots, \ln X_n)$ - Double-log equation
..... equation (3.5)

Where;

RGDP(Y)= Real gross domestic product

INFL (X_1)= inflation

IMPT(X_2)= import volume

EXP(X_3)= export volume

EXR(X_4)= exchange rate

INTR(X_5)= interest rate

μ = Random Error

\ln = natural logarithm

α = are parameters to be estimated

2) Correlation Matrix is defined as follows:

$$r = \frac{n\sum XY - (\sum X)(\sum Y)}{\sqrt{(n\sum X^2 - (\sum X)^2)(n\sum Y^2 - (\sum Y)^2)}} \dots \dots \dots \text{equation (3.6)}$$

MODEL I

Y_1 = Foreign direct investment (proxy for financial openness)

X_1 = Inflation

X_2 = exchange rate

MODEL II

Y_2 =trade openness

X_1 = exchange rate

X_2 = inflation

X_3 = dummy (structural change)

Apriori

It is expected that the elasticity parameters ($\alpha_1, \alpha_2, \alpha_3, \alpha_4, \alpha_5$) > 0. That is, it is expected that all the above stated macro economic variables are expected to influence economic growth. Thus, with globalization, a country with higher degree of openness tends to

enjoy greater industrial growth than a country with low degree of openness.

Results and Discussion

Descriptive Statistics

This involves the use of graph to show the trend of all macro economic variables considered in this study over the years. It is used to achieve objective 1(one) which is to describe the trend of macro economics variables with particular reference to the period under review (1970-2008)

1) Trend of Foreign Direct Investment between 1970-2008

Figure (1) below shows Nigerian export volume from 1970-2008. The horizontal axis shows the years and the vertical axis shows the amount of foreign direct investment. The direct investment was very low as at 1970 up till 2000, where it was very high, and as at 2005 it started decreasing to the extent of decreasing below negative value. This trend implies that the FDI has not been favorable over the period under review.

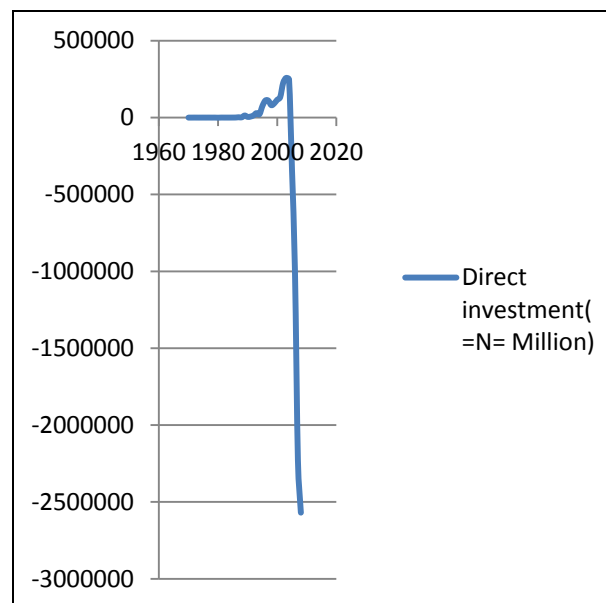


FIGURE 1: THE TREND OF FOREIGN DIRECT INVESTMENT BETWEEN 1970-2008

2) The Trend of Real Gross Domestic Product between 1970-2008

Figure (2) shows that RGDP has been increasing gradually from 1970-2008, with a sharp increase around 2005 but later fell and rose again around 2009. This simply means that the real GDP trend has been increasing slightly over the years in

Nigeria.

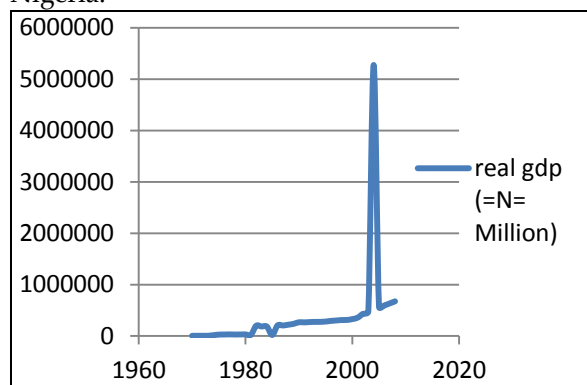


FIGURE 2: THE TREND OF REAL GROSS DOMESTIC PRODUCT (N'M) BETWEEN 1970-2008

3) Interest Rate between 1970-2008

Figure (3) shows that over the past years, the interest rate has always been fluctuating with a sharp increase in 1987 and later fell in 1994, it rose later in 1998 and has been increasing and decreasing since then.

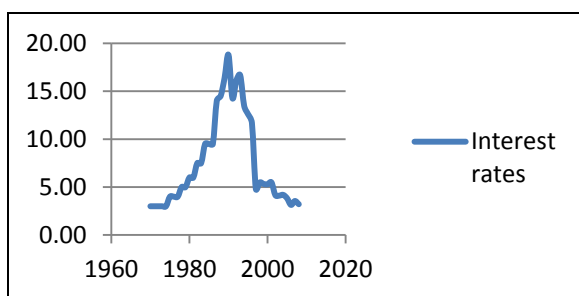


FIGURE 3: SHOWS THE TREND OF INTEREST RATE (%) BETWEEN 1970-2008

4) The Trend of Inflation Rate between 1970-2008

Figure (4) shows that inflation rate has been fluctuating over the years. It however increased 1973, 1984, 1989 with a sharp increase around 1993 and later decreased. However, this result might have attendant effect on the globalization (financial openness) of the country with other countries.

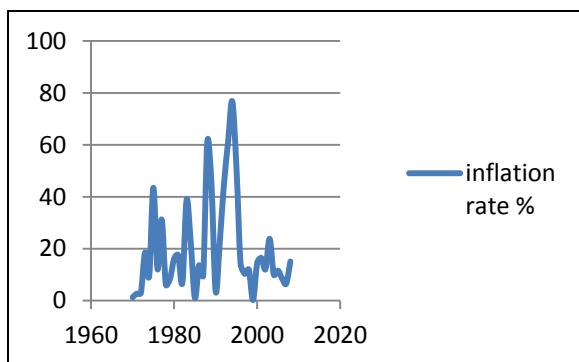


FIGURE 4: THE TREND OF INFLATION RATE (%) BETWEEN 1970-2008

5) THE TREND OF TOTAL IMPORT BETWEEN 1970-2008

Figure (5) shows Nigerian import volume from 1970-2008. The horizontal axis shows the years and the vertical axis shows the amount of import. The import volume was very low in the 1970 and 1980 but increased sharply around 1991, later dropped around 1993 since then, it has steadily been on the increase. Though, the rising import value might however be unconnected to the effect of globalization of the Nigerian economy.

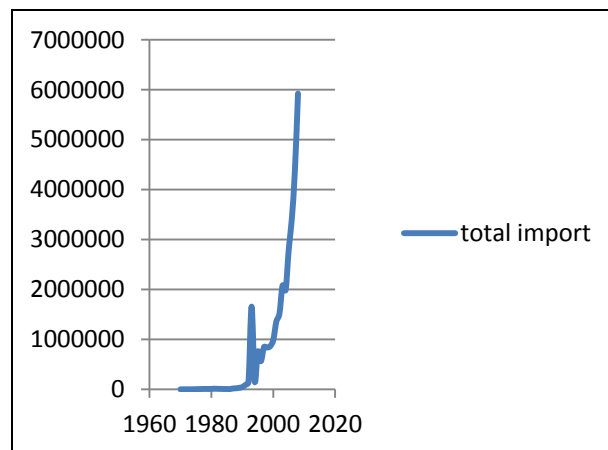


FIGURE 5: THE TREND OF IMPORT VOLUME (N'M) BETWEEN 1970-2008

6) The Trend Of Export Product Between 1970-2008

Figure (6) shows Nigerian export volume from 1970-2008. The horizontal axis shows the years and the vertical axis shows the amount of export. In 1970, exportation was very low, later increased and fluctuating till 1990 where it was increasing up to 2008. This trend might also be linked to globalization of the economy.

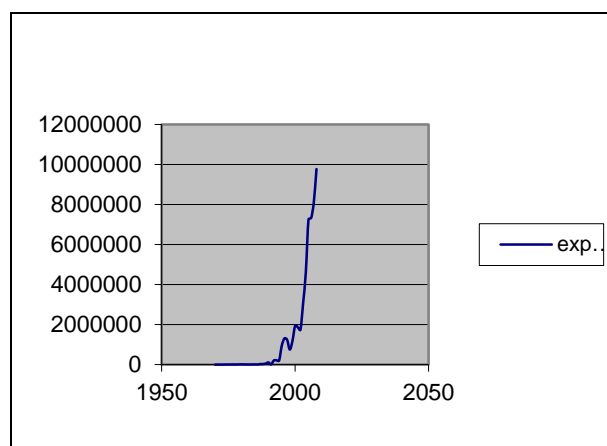


FIGURE 6: THE TREND OF EXPORT VOLUME (N'M) BETWEEN 1970-2008

1) Model 1: Correlation Analysis

In order to achieve the objective of examining the impact of globalization on economic growth of

Nigeria, Globalization was proxied by trade openness. The result shows that structural change been proxied by dummy is positively related to globalization and is also significant at 1%. Also, the result shows that there is a positive relationship between exchange rate and globalization, while inflation is negatively related

to globalization. However, result further show the significant relationship between inflation, exchange rate as well a structural change (Table 1). This result therefore implies that exchange rate and inflation plays a very important role if the country is to reap the benefit of globalization.

TABLE 1 OF CORRELATION MATRIX

Correlations		trade openness	dummy	inflation	exchange rate
trade openness	Pearson Correlation	1.000	.514**	-.122	.166
	Sig. (2-tailed)	.	.001	.459	.314
	N	39	39	39	39
dummy	Pearson Correlation	.514**	1.000	.248	-.647**
	Sig. (2-tailed)	.001	.	.128	.000
	N	39	39	39	39
inflation	Pearson Correlation	-.122	.248	1.000	-.397*
	Sig. (2-tailed)	.459	.128	.	.012
	N	39	39	39	39
exchange rate	Pearson Correlation	.166	-.647**	-.397*	1.000
	Sig. (2-tailed)	.314	.000	.012	.
	N	39	39	39	39

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

2) Model 2: Correlation Analysis:

This is to determine the relationship between foreign direct investment, inflation and exchange rate. The value of correlation ranges between 0 and 1. However, as the value tends towards 1, shows a strong relationship between variables. The correlation analysis result shows a negative relationship between foreign direct investment and exchange rate. This implies that the more the country devalues her currency; it makes the price

cheaper and then the likelihood of foreign direct investment (FDI) into the economy. Similarly, inflation and exchange rate shows a negative relationship but significant at 5 percent level of probability. However, inflation rate also show a positive relationship, this is expected because inflation only affect the home country prices of goods and services. Hence, it does not affect investment into the country, infact it enhances the willingness to invest (Table 2).

TABLE 2 OF CORRELATION MATRIX

		Foreign Direct Investment	Inflation	Exchange rate
Foreign Direct Investment	Pearson Correlation	1	.133	-.247
	Sig. (2-tailed)		.420	.129
	N	39	39	39
Inflation	Pearson Correlation	.133	1	-.397*
	Sig. (2-tailed)	.420		.012
	N	39	39	39
Exchange Rate	Pearson Correlation	-.247	-.397*	1
	Sig. (2-tailed)	.129	.012	
	N	39	39	39

*. Correlation is significant at the 0.05 level (2-tailed).

3) Model 3: Regression Analysis

This model is centered one fact, that, to explain the effect of globalization, there must be a systematic link with the production of goods and services. This is used to achieve objective Four, which estimates the factors contributing to the economic growth, proxied by real gross domestic product (RGDP).

The result shows R^2 of 0.748. This implies that about 75% of the total variation in real GDP is being explained by the explanatory variables. The results of the positive coefficient show that percentage increase in the explanatory variable will lead to a percentage increase in RGDP proxied by economic growth vice-versa. Thus the result shows that inflation, export and trade openness have positive influence on the economic growth. However, the result further revealed inflation is the only significant variable in the model contributing to the economic growth at 10% level probability level.

Summary of the regression results

$$Y \text{ (RGDP)} = 5.817 + 0.221\text{infl}(X_1) - 0.17\text{EXR}(X_2) + 0.156\text{EXP}(X_3) + 0.327(\text{TROP})X_4$$

$$\begin{array}{cccc} \text{t-statistics} & (7.298)^* & (1.733)^* & (-0.216) \\ & (0.662) & (0.193) & \end{array}$$

$$R\text{-squared} = 0.748 \text{ (74\%)}$$

$$F\text{-statistics} = 25.245$$

Summary of Research Findings

- The result shows that in 1970, exportation was very low, later increasing and fluctuating till 1990 where it was increasing up to 2008.
- The result shows that GDP has been increasing gradually from 1970-2008, with a sharp increase in the GDP in 1970-2008. This simply means that the real GDP trend has been increasing over the years
- The result shows that interest rate has been fluctuating with respect to the years under review
- It result showed the significant relationship between inflation, exchange rate as well a structural change.
- The results also shows that inflation and exchange rate have a negative relationship but significant at 5 percent probability level.

- The results further revealed that Inflation is a significant variable contributing to economic growth (proxied by RGDP)

Conclusion

Based on research findings, the study concludes that inflation plays a very significant factor if the economy is to increase her volume of export with a view to enhance economic growth in Nigeria economy. Thus, for Nigeria to be one of the top 20 economies of the world, the government should strictly guide her fiscal and monetary policies in order to enhance industrial growth of the country.

Recommendations

As Nigerian economy becomes more increasingly drawn into the tunnel of globalization, it is very much likely to experience more challenges. Therefore, in order to reap significant benefit therein, the following measures are highly recommended:

- That government should enact favourable fiscal and monetary policies that will encourage local investors that will invest in the economy.
- That the economy's productive and export base should be diversified through well targeted policies, investment in education and human capital development, paying special attention to the provision of infrastructural facilities and good governance.
- Developing a framework of strong regional and sub-regional economic groupings such as ECOWAS etc as a credible response to the powerful force of globalization.

REFERENCES

- Ajayi, S.T. 'What African Needs to do to Benefit from Globalization? Finance and Development, 2001, Vol 3:8.
- Akinbayo, O.L. 'Globalization, Information Technology in Nigeria Financial System' *NES 2003 Annual Report Conference*, Ibadan, 2003. Pp 186-190.
- Ihonvbere, J.O.. 'How is Globalization Doing?' *International Summit on Globalization as Problem of Development in Harana Cuba*. Jan.18-22, 2002.
- Islam. A. 'Globalization and Development Revisited in the Light of Asian Experience'. *Asia Specific Development Journal*, 1999, 6(2):1-21.

- Martin, K.M.. "Openness and Economic Performance in sub-Saharan Africa: Evidence from Time -Series and Cross- Country Analysis." Policy Research Working Paper WPS 1025. Washington, D.C: World Bank, 1992.
- Ohuabunwa, Mazi S.I.. The Challenges of Globalization to the Nigerian Industrial Sector" .*Nigerian Tribune* December, 1999, 14, PP. 20 - 21.
- Oputa, N.C.. Cho Tae-Hyon: Foreign Direct Investment in Korea: Recent Trends and Changes to Improve the Investment Environment. *Economic and Financial Review*, 1996, 34 No 1. pp. 541-542.
- Salimono, A. Globalization and Challenges. A Paper Presented at the International Summit on Globalization as Problem of Development in Havana Cuba. Jan., 1999.18-22.
- Rivera-Batiz,L and Paul Romer. "Economic Integration and Endogenous Growth." *Quarterly Journal of Economics* May, 1992, 106(2):531-56.
- Santarelli E., and Figini, P.. Does Globalization Reduce Poverty? Some Empirical Evidence from Developing Countries. *Mimeo*, Dept. of Economics, University of Bologna. 2002.
- Solow, R.M. A Contribution to the Theory of Economic Growth. *The Quarterly Journal of Economics*, 1956, 70 (1): 65-94.
- Stiglitz J.E Globalization and its Discontents. Distinguished Lecture on Economics in Government: the Private Uses of Public Interest: Incentives and Institutions. *Journal of Economic Perspective*, 1998 V12 N2.pp3-22.
- Rasaki .O. Kareem,Ph.D**, Senior Lecturer, Dept. of Economics and Actuarial Sciences, College of Social and Management Sciences,Crescent University, P.M.B 2104,Sapon, Abeokuta, Ogun State, Nigeria.
- Hakeem, A. Bakare · Ph.D.**, Associate Professor, Dept. of Economics and Actuarial Sciences, College of Social and Management Sciences,Crescent University, P.M.B 2104,Sapon, Abeokuta, Ogun State, Nigeria.
- Emmanuel .O. Ologunla**, Assistant Lecturer, Dept. of Economics and Actuarial Sciences, College of Social and Management Sciences,Crescent University, P.M.B 2104,Sapon, Abeokuta, Ogun State, Nigeria.